

Message Text

CONFIDENTIAL

PAGE 01 TEGUCI 00693 192102Z

63

ACTION ARA-20

INFO OCT-01 ISO-00 SPC-03 SAM-01 AID-20 EB-11 NSC-10

RSC-01 CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12

LAB-06 SIL-01 AGR-20 L-03 H-03 TAR-02 PA-04 PRS-01

USIA-15 DRC-01 /187 W

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R 191624Z FEB 74

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC 6346

C O N F I D E N T I A L TEGUCIGALPA 693

E.O. 11652: GDS

TAGS: EIND, EAGR, HO, US

SUBJECT: LUMBER: DECREE LAW 103 - MADERERA HIBUERAS

REF: TEGUCIGALPA 644

SUMMARY, ECOM OFFICERS FEDUM 15 HAD VISIT WITH SAM ROBINSON AND JAIME ROVELO OF MADERERA HIBUERAS. ROBINSON AT END OF DISCUSSION STATED THAT A MAJOR PROBLEM OF COMMUNICATIONS BETWEEN COMPANY AND GOH MUST BE OVERCOME. NO ACTION REQUESTED. END SUMMARY.

1. ROBINSON, FRESH FROM MEETING WITH REYES OF COHDEFOR, DISCUSSED CURRENT EVALUATION OF DECREE 103 ON PARZDTHIS COMPANY. ROBINSON NOTED HE HAD BEEN TO WASHINGTON AND EEOKEEN TO COTTER. ASKED IF EMBASSY HAD RECEIVED ANY NOTICE CONGRESSIONAL INTEREST (WE SAID WE HAD). ROBINSON HAD DISCUSSED WITH REYES POSSIBILITY OF COHDEFOR PURCHASE OF 51 PERCENT OF MADERERA HIBUERAS. REYES SUGGESTED THAT COMPANY OPERATE ON FEE BASIS WITH CONTRACT FROM COHDEFOR. REYES TOLD ROBINSON THAT THE ROBINSON COMPANY NEEDS COHDEFOR AND IXYOZQOR#NEEDS THEM.
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PAGE 02 TEGUCI 00693 192102Z

ROBINSON SKEPTICAL PARTICULARLY IN VIEW OF AMOUNT OF TAX

CLAIM BEING MADE BY GOH. ROBINSON ALSO UNDERSTANDS COHDEFOR SETTING UP SALES AGENTS IN EUROPE AND U.S. STATED THAT HE WOULD HAVE HIS PURCHASING AGENTS CALL ON REYES.

2. ECOM OFFICER RECOMMENDED TO ROBINSON THAT HE PREPARE PROPOSAL FOR PRESENTATION TO REYES. PROPOSAL SHOULD CLEARLY OUTLINE REQUIREMENTS FOR CONTINUED BUSINESS OPEJUTION OF ROBINSON INTERESTS IN HONDURAS. ECOM OFFICER SUGGESTED SUCH A PROPOSAL COULD BE UTILIZED AS POINT OF DEPARTURE FOR NEGOTIATING POSSIBLE CONTINUED OPERATION AND IDENTIFYING IN POSITIVE FORM ATTITUDE OF GOVERNMENT TOWARD SPECIFIC ROBINSON REQUIREMENTS. ON TAX ISSUE ECOM OFFICER SUGGESTED ROBINSON REPRESENTATIVES APPROACH TAX AUTHORITIES (PINEDA) SOONEST IN ORDER TO TAKE ADVANTAGE OF ADMINISTRATIVE NEGOTIATION OF TAX DEBT.

3. ROBINSON STATED, CONTRARY TO WHAT THEIR SAN PEDRO LAWYER HAD TOLD TAX OFFICIALS, BOTH LAWYER AND JAMES MCLIN HAD POWER OF ATTORNEY FOR ROBINSON LUMBER COMPANY, PREDECESSOR OF MADERERA HIBUERAS. ROBINSON STATED THAT YCS NEW ORLEANS ATTORNEY WILL OR HAS WRITTEN TO EMBASSY ASKING THAT HONDURAN TAX CLAIM AGAINST AOB GUON LUMBER CO. OF HONDURAS BE FORWARDED TO NEW ORLEANS LAWYER. ROBINSON ALSO SHOWED RECEIPT FOR LARGE RETAINER PAID TO SAN PEDRO LAWYER TO REPRESENT COMPANY ON TAX CLAIM PROBLEM. SAME LAWYER, EDGARDO DUMAS
D SUBJECT OF ARTICLE
IN "LA NOTICIA" FEB. 14 STATING THAT THE MILITARY GOVERN-
MENT SHOULD RETURN COUNTRY TO HANDS OF CIVILIAN AUTHORITIES.
ARTICLE SHOWN TO ROBINSON.

4. ROBINSON RAISED PROBLEM OF 20 PERCENT WITHHOLDING. ECOM OFFICER RESPONSE WAS THAT PRESENT WITHHOLDING CAN ONLY BE LIQUIDATED UPON PRESENTATION OF COMPANY DATA. IT WOULD BE CONVENIENT ON TWO COUNTS THAT COMPANY MAKE THIS PRESENTATION TO COHDEFOR AS SOON AS POSSIBLE. FIRST IN ORDER TO OBTAIN REBATE AND SECOND IN ORDER TO HAVE PERCENT-
AGE OF WITHHOLDING REDUCED BY COHDEFOR ON FUTURE SHIPMENTS. IT WAS SUGGESTED TO ROBINSON THAT THERE WAS NO NECESSWRY ONE TO ONE RELATIONSHIP BETWEEN THE TAX CLAIM AND THE
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 TEGUCI 00693 192102Z

ISSUANCE OF DECREE 103. WE HAD NO EVIDENCE TO INDICATE THAT THE TAX CLAIM WAS A PARALLEL ACTION TO THE DECREE IN ORDER TO REDUCE THE AMOUNT OF CLAIM THE COMPANY MIGHT HAVE AGAINST THE GOVERNMENT IN THE CASE OF A FINDING OF EXPROPRIATION.

5. ROBINSON SUMMARIZED EMBASSY POSITION AT END OF DISCUS-
SION BY STATING THAT COMPANY NEEDED CLOSE COMMUNICATIONS

WITH COHDEFOR AND TAX PEOPLE. ECOM OFFICERS FULLY
CONCURRED.

6. COMMENT: EMBASSY IS CONCERNED THAT U.S. COMPANIES NOT
MISS CHANCE FOR ADMINISTRATIVE RESOLUTION THEIR PROBLEMS OR
OPERATE ON THE BASIS OF LIMITED OR BAD ADVICE FROM PAST
OR PROSPECTIVE ADVISORS. BEST RESOLUTION APPEARS TO BE
LIKELY THROUGH FACE TO FACE NEGOTIATIONS WITH REYES AND
FULL DISCUSSIONS WITH EMBASSY AND DEPARTMENT. ROBINSON'S
VISIT, THEREFORE, GREATLY WELCOMED.
DAVIS

NOTE BY OCT: # AS RECEIVED. SERVICED UPON REQUEST.

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